



FY19 Proposed Budget

Prepared By

Tyrell T. Morris, MBA
Executive Director

Wednesday, November 7th, 2018



One City, One Agency, One Mission



ORLEANS PARISH COMMUNICATION DISTRICT

Administrators of New Orleans' 9-1-1 System

A Message from the Executive Director



November 7th, 2018

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N.O. Police Department

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N.O. Emergency Medical Services

Jennifer Avegno, MD
N.O. Health Department

Dr. Brobson Lutz
Orleans Parish Medical Society

Greetings New Orleanians,

It has been three months since the OPCD Board of Commissioners presented me with an opportunity to graciously lead this organization, and I am so excited about our future. First, I would like to say thank you to the men and women of OPCD who selflessly work 24 hours a day, 7 days a week, and every day of the year to answer your call for service with compassion and professionalism. It is the work they do every day that keeps me grounded and closely connected to our mission.

Today I am publishing our FY19 budget which I am confident will position OPCD to be an international leader in emergency communications. Mayor LaToya Cantrell announced on Thursday, November 1st that it was her desire to consolidate the city's 3-1-1 services with our current 9-1-1 operations. This is a brave move and I applaud the Mayor on her quest to bring efficient and effective government to the residents of the City of New Orleans. Just like we learned with the consolidation of 9-1-1 in May 2016, I believe this venture will dramatically increase the level of service provided to the residents of the City of New Orleans.

Finally, this budget includes some major technology upgrades to include Text-2-911 service as well as integrated and precise location information.

Thank you for the opportunity to serve this great city as we move forward, together.

Tyrell T. Morris, MBA
Executive Director

Executive Staff

Tyrell Morris
Executive Director

**ORLEANS PARISH COMMUNICATION DISTRICT
2019 BUDGET MESSAGE
PREPARED IN ACCORDANCE WITH LRS 39:1305 (C,1)**

I. Summary Description of Financial Plan

The Orleans Parish Communication District (OPCD) was established by Act 155 (1982 Regular Session) as amended. The governing authority of the District is an 11-member Board of Commissioners as provided for by law. The OPCD was created to provide E9-1-1 service throughout Orleans Parish. As a political subdivision of the State, OPCD receives no funding from federal, state, or local governments [except as provided in the Consolidation CEA, below].

The attached proposed budget of OPCD reflects revenue generated from service charges collected from the customers of wireline, wireless, and prepaid wireless providers whose users have a billing address in Orleans Parish. These service charges are used to support the E9-1-1 system through the direct defrayal of system costs, operations, administrative support, training personnel, providing public information, researching and developing plans and proposals, purchasing and installing E9-1-1 equipment and related software, and providing the technical and engineering expertise to operate and maintain OPCD's E9-1-1 system. Additionally, OPCD is responsible for the building, maintenance, and operation of the Chief Warren E. McDaniels, Sr. 9-1-1 Center (built in 2011), the Administration Building (renovated in 2014-2015), and the Roman Capitol Building.

OPCD and the City of New Orleans have negotiated a Cooperative Endeavor Agreement that will provide for the consolidation of E9-1-1 call-taking and dispatching under one entity which was completed on May 1st, 2016. All telecommunicators, dispatchers and supervisors are now employees of OPCD which has resulted in the agency exceeding national standards for over a year. To further consolidate public safety operations, OPCD has been working with the City of New Orleans to include the answering and management of 3-1-1 calls in the services we provide. Following several major cities, the consolidating of 3-1-1 and 9-1-1 will ensure residents of the City of New Orleans will have access to government services from multiple entities 24/7 and during emergencies. 3-1-1 provides vital public safety services such as registration for the City Assisted Evacuation program as well as the Special Needs Registry. OPCD Telecommunicators will be trained to process these calls and we look forward to this exciting partnership with the City of New Orleans.

II. Objective of OPCD

The OPCD's mission, in partnership with the City of New Orleans, is to provide the best possible public safety answering point (PSAP) service to the residents of and visitors to the city. OPCD strives to provide the best technology to ensure that 9-1-1 telecommunicators and dispatchers are able to answer and process calls, as well as provide first responders on the scene with the most accurate and reliable information. With the addition of 3-1-1, OPCD will be positioned to provide the best public information and guidance during an emergency or a citizen looking for governmental services.

III. Financial Policies

Reserve Funds – As of November 7th, 2018 \$4,234,661 is available in reserve funds.

For 2019, an estimated \$1,934,481 will be needed from the reserve funds. It has been OPCD's long-standing policy to maintain a prudent level of financial reserves to offset reducing 9-1-1 service levels in the event of

a revenue shortfall, unpredicted one-time expenditures, or natural or man-made disasters. In prior years, the OPCD Board of Commissioners built up reserve funds with the express purpose of building the McDaniels 9-1-1 Center and providing it with the best technology available. During the construction phase, reserves and municipal bonds were used to fund the building, which was expected and planned for. For 2019 an estimated \$1,312,481 is needed from reserve funds to meet 2019 operating expenses. The agency is currently undergoing a revenue audit to ensure all appropriate E9-1-1 fees are being remitted.

Fee Policy – Currently, the monthly E9-1-1 fees are \$1.00 per access line for residential, \$2.00 per access line for commercial, and \$1.25 per access line for wireless and VoIP business and residential. The wireless fee was raised during 2016 from .85 to 1.25 as per Legislative Act 665 passed at the 2016 regular session. Act 665 also required a fee of \$1.25 for VoIP. Thus Business VoIP decreased and Residential VoIP increased. The increase went into effect August 1st, 2016. These fees are remitted directly to OPCD.

Prepaid wireless has been raised from two percent to four percent of the cost at the retail point of sale by Act 590. This revenue is remitted to the Louisiana Department of Revenue and disbursed to 9-1-1 districts based on their population percentage.

Debt Issuance and Management –OPCD currently has a debt for a Bond issue for the McDaniels 9-1-1 Center. Payments of principal and interest for the Bond Issue are approximately \$900,000 annually. The Bond Issue will be paid off in 2019.

Balancing the Operating Budget – OPCD is required by law to have a balanced budget.

IV. Assumptions and Budgetary Basis

The budgets for all funds are prepared using the accrual basis of accounting, with exceptions listed below. Under the accrual method, revenues are recorded when earned and expenses are recorded at the time liabilities will be paid.

1. Capital outlay is budgeted as expenditure in the year purchased.
2. Depreciation is not budgeted.
3. Interest capitalized on construction projects is budgeted as interest expense.
4. Proceeds from the issuance of debt are revenues, not an increase in liabilities.
5. Principal payments are shown as expenditures rather than reductions of the liability.
6. Encumbrances are treated as expenditures in the year they are expended not when encumbered.
7. Grants obtained for the construction of assets are revenues, not capital contributions.
8. Proceeds from the sale of assets are recognized as revenue; however, the related gain or loss is not.
9. Purchases of inventory are expenditures when purchased, not when sold or used.
10. Debt issue and discount costs are expended when paid, not capitalized and amortized over the life of the bonds.
11. Gains or losses on the early retirement of debt are considered to increase or decrease the funds available in the year in which they occur and are not capitalized and amortized over the life of the bonds.
12. Project length (continuing appropriation or projects that span more than one year) budgets are reductions of funds available when expended not appropriated.

OPCD follows standard recognized and accepted accounting practices for making estimates and projections. OPCD has a separate auditing contract with Duplantier, Hrapmann, Hogan & Maher, LLP to audit OPCD's financial records. Each audit report is submitted to the Louisiana Legislative Auditor. Since 2005, OPCD has received the highest auditing rating possible.

V. Important Features of the 2019 Budget

A. Budget Format

The budget represents operations and capital expenditures.

The revenue category is divided into five subcategories: revenue from wireline service charges; revenue from wireless service charges; revenue from prepaid wireless service charges, allocation of funds from the City of New Orleans and Other Income.

The expenditure categories are: Personnel (1000); Contractual Services (2000); Supplies (3000); and Repayment of Debt (4000). Each major expenditure category, in turn, is further subcategorized. Brief descriptions are provided next to major expenditures.

Following is a list of where major budget sections can be found:

General Summary	Page 1
Budget Detail	Page 2
Revenue	Pages 3
FTEs	Page 4

B. Substantive Highlights

Projected Revenues: For 2019, landline 9-1-1 revenue is projected to decline by 3.89%. More and more people are going to cell phones and do not have landline phones in their homes. Some of the landline revenue has been reclassified as VoIP and as a result is now Wireless 9-1-1 revenue. For 2019 this wireless revenue is projected to be \$3,400,000 and increase of 6.25% over 2018. For 2019 the net of Wireline and Wireless is a 3.25% increase.

Personnel: For 2019, it is anticipated that the agency will fill all vacant positions. As an investment in our people, this budget includes a new employment benefit for student loan repayment programs which is valued at \$100 per month for eligible employees. It also includes the addition of 8 telecommunicators to ensure coverage of 3-1-1 calls, two FTEs in technology to support the expansion of the Computer Aided Dispatch system and Text-2-911, as well as one FTE for the Director of Support Services.

Seven FTEs from the Training & Compliance team which have been funded out of Operations, will now be funded in the Office of the Executive Director.

Contractual Services: Significant changes in contractual services include a decrease in Interest Expenses of \$40,000. Software Maintenance has been increased by \$270,000 due to the projected implementation of queries on CAD for NCIC. This will be a one-time expense with an anticipated \$30,000 annual maintenance increase. Professional services have increased by \$36,000 by the

implementation of cybersecurity in 2018. Public Information and Service Awards has increased \$18,000 due to increased awareness programs and to implement an information video for Orleans Parish 9-1-1. Telephony charges have increased by \$51,000 due to requirements for connectivity with the backup site and additional Text 2 9-1-1.

Equipment/Project/Facilities.

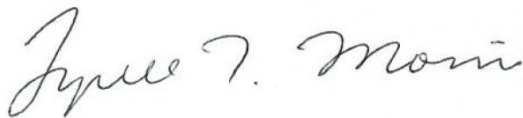
Capital Expenditures: The Video Wall that was implemented in 2013 is in need of significant upgrade. \$250,000 has been allocated for this purpose. \$100,000 has been allocated for normal outlay for hardware. An additional \$20,000 has been allocated to Furniture and Fixtures for anticipated replacement of 24/7 chairs. \$35,000 has been allowed for a new vehicle. The 1999 Durango will be retired. \$14,000 is allocated for patching the Julia Street access.

VI. Conclusion

In accordance with the Louisiana Local Government Budget Act and Louisiana Legislative Act 155 (1982) as amended, the following actions have or are scheduled to occur relative to the Budget.

1. The Executive Director, in consultation with the OPCD Board Chair, prepares the proposed OPCD Budget, the accompanying Budget Message, and the Resolution by which it will be approved to proceed.
2. Notice is given that the public may inspect the proposed budget.
3. A public hearing is held (after notice).
4. The New Orleans City Council approves the OPCD year 2019 Budget.
5. At its next regular quarterly meeting in November, and in open session, OPCD Board approves the Budget and orders it implemented.
6. Notice is published that the above actions have been taken.
7. The budget and supporting data are submitted to the Louisiana Legislative Auditor.

This budget message has been prepared in accordance with LRS 39:1305 (c)(1), and is respectfully submitted,



By: Tyrell Morris
Executive Director
Orleans Parish Communication District

Orleans Parish Communication District (OPCD)
Proposed FY19 Budget

BUDGET SUMMARY

	2019	2018	2017
	Proposed	Budgeted	Actual
Revenues			
Dedicated Taxes - Land	1,730,000	1,800,000	1,771,058
Dedicated Taxes - Wireless	3,400,000	3,200,000	3,400,541
Dedicated Taxes - Prepaid Wireless	910,000	850,000	857,622
Interest Revenue	36,000	12,500	32,278
Intergovernmental Transfer	9,476,780	9,476,780	9,476,778
Rental and Other Income	53,000	44,000	58,684
Transfer from Reserves	1,934,481	1,585,224*	0
TOTAL REVENUES	17,540,261	16,968,504	15,596,961
Expenses			
Personnel	12,886,548	12,241,962	11,651,743
Contract Services	3,031,613	2,873,842	2,709,455
Supplies	95,100	104,800	57,601
Debt Service	905,000	860,000	825,000
Capital Projects	622,000	887,900	46,721
TOTAL EXPENSES	17,540,261	16,968,504	15,290,520
Revenues Over Expenses	0	0	306,441
Total Costs of 9-1-1 Operations	10,334,237	10,720,230	
City of New Orleans Allocation	9,476,780	9,476,780	
OPCD Contribution	857,457	1,243,450	

** It is not anticipated that these reserve funds will be needed to balance the FY18 budget.*

Orleans Parish Communication District (OPCD)
PROPOSED FY19 Budget
Budget Monthly Detail

OPERATING BUDGET

Revenues	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	TOTAL
Dedicated Taxes - Land	140,000	140,000	152,500	140,000	140,000	152,500	140,000	140,000	152,500	140,000	140,000	152,500	1,730,000
Dedicated Taxes - Wireless	238,400	238,400	370,000	238,000	238,000	364,700	238,000	238,000	360,000	266,000	240,500	370,000	3,400,000
Dedicated Taxes - Prepaid Wireless	0	0	227,500	0	0	227,500	0	0	227,500	0	0	227,500	910,000
Interest Revenue	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	36,000
Intergovernmental Transfer	2,369,195	0	0	2,369,195	0	0	2,369,195	0	0	2,369,195	0	0	9,476,780
Rental and Other Income	3,665	3,665	3,665	7,665	3,665	3,665	3,665	3,665	3,670	3,670	8,670	3,670	53,000
Transfer from Operations Fund Balance	0	0	0	0	0	0	0	0	0	0	0	1,312,481	1,312,481
TOTAL REVENUE	2,754,260	385,065	756,665	2,757,860	384,665	751,365	2,753,860	384,665	746,670	2,781,865	392,170	2,069,151	16,918,261
Expenses													
Personnel	1,026,077	951,162	1,233,460	954,162	986,734	1,376,519	996,506	954,162	1,425,405	954,160	1,029,076	999,127	12,886,548
Contract Services	642,699	203,120	242,370	159,031	273,832	486,136	212,045	190,624	178,216	140,010	134,875	168,655	3,031,613
Supplies	8,415	8,625	8,221	8,272	7,415	8,904	7,165	6,765	10,111	7,535	7,597	6,075	95,100
Debt Service	0	0	0	0	0	0	0	0	905,000	0	0	0	905,000
Transfer to Capital Projects													0
TOTAL EXPENSES	1,677,191	1,162,907	1,484,051	1,121,465	1,267,981	1,871,559	1,215,716	1,151,551	2,518,732	1,101,705	1,171,548	1,173,857	16,918,261
Revenue Over Expenses	1,077,069	(777,842)	(727,386)	1,636,395	(883,316)	(1,120,194)	1,538,144	(766,886)	(1,772,062)	1,680,160	(779,378)	895,294	0

CAPITAL BUDGET

Revenues	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	TOTAL
Transfer from Capital Projects Fund	26,000	60,500	179,500	100,500	52,500	52,000	26,000	25,000	25,000	25,000	25,000	25,000	622,000
Transfers from Operating Revenue	0	0	0	0	0	0	0	0	0	0	0	0	
TOTAL REVENUE	26,000	60,500	179,500	100,500	52,500	52,000	26,000	25,000	25,000	25,000	25,000	25,000	622,000
Expenses													
Capital Projects	26,000	60,500	179,500	100,500	52,500	52,000	26,000	25,000	25,000	25,000	25,000	25,000	622,000
TOTAL EXPENSES	26,000	60,500	179,500	100,500	52,500	52,000	26,000	25,000	25,000	25,000	25,000	25,000	622,000
Revenue Over Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0

Orleans Parish Communication District (OPCD)
 PROPOSED FY19 Budget
 Statement of Anticipated Revenues

2019 Budget

Revenues	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Totals
Dedicated Taxes - Land	140,000	140,000	152,500	140,000	140,000	152,500	140,000	140,000	152,500	140,000	140,000	152,500	1,730,000
Dedicated Taxes - Wireless	238,400	238,400	370,000	238,000	238,000	364,700	238,000	238,000	360,000	266,000	240,500	370,000	3,400,000
Dedicated Taxes - Prepaid Wireless			227,500			227,500			227,500			227,500	910,000
Interest Revenue	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	36,000
Intergovernmental Transfer	2,369,195			2,369,195			2,369,195			2,369,195			9,476,780
Rental and Other Income	3,665	3,665	3,665	7,665	3,665	3,665	3,665	3,665	3,670	3,670	8,670	3,670	53,000
Transfer from Operations Fund Balance												1,312,481	1,312,481
Transfer from Capital Projects Fund	26,000	60,500	179,500	100,500	52,500	52,000	26,000	25,000	25,000	25,000	25,000	25,000	622,000
Total Revenue	2,780,260	445,565	936,165	2,858,360	437,165	803,365	2,779,860	409,665	771,670	2,806,865	417,170	2,094,151	17,540,261

PROPOSED FY19 BUDGET

FTE Detail

Sum of FTE Row Labels	Column Labels		
	Filled	Vacant	Grand Total
Office of the Executive Director	11		11
207000-Training & Compliance Specialist	4		4
207000-Training & Compliance Supervisor	2		2
EXD-Executive Director	1		1
HR Generalist	1		1
Human Resources Manager	1		1
SAED-Special Assistant to the Executive Director	1		1
Training & Compliance Manager	1		1
Operations	135	11	146
201000-Telecommunicator	65	10	75
202000-Telecommunicator I	43		43
203000-Telecommunicator II	7		7
2050000-Operations Supervisors	15	1	16
206000-Operations Manager	4		4
Director of Operations	1		1
Support Services	10	3	13
208000-Subpoena Specialist	3		3
311 Manager		1	1
Director of Support Services		1	1
EDC-Public Engagement Manager	1		1
FAC-Facilities Specialist	2		2
Facilities Supervisor	1		1
FACMGR-Facilities Manager	1		1
Finance Manager	1		1
Financial Analyst		1	1
PA-Payroll Administrator	1		1
Technology	6	2	8
CAD Administrator		1	1
Database Administrator		1	1
DIRTECH-Director of Technology	1		1
GISMAP-GIS Manager	1		1
GISSPEC-GIS Analyst	1		1
SE1-Systems Engineer I	1		1
SEII-Systems Engineer II	2		2
Grand Total	162	16	178